

THE CITY OF SAN DIEGO, CALIFORNIA  
MINUTES FOR SPECIAL COUNCIL MEETING  
OF  
MARCH 8, 1990  
AT 2:00 P.M.  
IN THE COUNCIL CHAMBERS - 12TH FLOOR

NOTICE OF SPECIAL MEETING OF THE CITY COUNCIL

To Council Members Wolfsheimer, Roberts, Hartley, Pratt,  
Bernhardt, Henderson, McCarty, and Filner, members of the City  
Council of the City of San Diego, California:

A SPECIAL MEETING of the City Council is hereby called to be held  
in the Council Chambers, 12th floor City Administration Building,  
202 C St., San Diego, California, at the hour of 2:00 p.m. on  
Thursday, March 8, 1990.

Said meeting has been called for the purpose of considering the  
implementing ordinances of a Housing Trust Fund: specifying how  
the Fund is to be administered, identifying its target population  
and eligible expenditures, and establishing mechanisms that will  
secure revenue for the Fund.

Dated February 14, 1990. MAUREEN O'CONNOR, MAYOR  
CHRONOLOGY OF THE MEETING:

The meeting was called to order by Mayor O'Connor at 2:04 p.m. A  
quorum was not present. A quorum was present at 2:12 p.m. with  
Council Members Roberts and Bernhardt not present. Mayor  
O'Connor adjourned the meeting at 5:45 p.m.

ATTENDANCE DURING THE MEETING:

- (M) Mayor O'Connor-present
- (1) Council Member Wolfsheimer-present
- (2) Council Member Roberts-present
- (3) Council Member Hartley-present

- (4) Council Member Pratt-present
  - (5) Council Member Bernhardt-present
  - (6) Council Member Henderson-present
  - (7) Council Member McCarty-present
  - (8) Council Member Filner-present
- Clerk-Abdelnour, Fishkin (eb)

FILE LOCATION: MINUTES

Mar-8-1990

ITEM-700: ROLL CALL

Clerk Abdelnour called the roll:

- (M) Mayor O'Connor-present
- (1) Council Member Wolfsheimer-present
  - (2) Council Member Roberts-not present
  - (3) Council Member Hartley-not present
  - (4) Council Member Pratt-not present
  - (5) Council Member Bernhardt-not present
  - (6) Council Member Henderson-present
  - (7) Council Member McCarty-present
  - (8) Council Member Filner-not present

ITEM-701:

Eight actions relating to establishing the Housing Trust Fund and providing resources to fund its activities:

(See Housing Commission Report HCR-90-002CC.)

Subitem-A: (R-90-1391) CONTINUED TO MARCH 26, 1990

Adoption of a Resolution establishing a Council Policy on the Housing Trust Fund.

Subitem-B: (O-90-156) CONTINUED TO MARCH 26, 1990

Introduction of an Ordinance amending Chapter IX, Article 8, of the San Diego Municipal Code, by adding Division 5, Sections 98.0501 through 98.0530 and Division 6, Sections 98.0601 through 98.0619, relating to the Provisions and Preservation of Affordable Housing (Housing Trust Fund Ordinance).

Subitem-C: (O-90-157) CONTINUED TO MARCH 26, 1990

Introduction of an Ordinance amending Chapter III, Article 5 of the San Diego Municipal Code, by amending Section 35.0128, relating to the Transient Occupancy Tax, allocating a portion of the growth in specified portions of the TOT revenues to the Housing Trust Fund.  
Subitem-D: (O-90-158) FILED

Introduction of an Ordinance amending Chapter III, Article 1 of the San Diego Municipal Code, by adding Division 4, creating a procedure for establishment of a Business Tax to be levied on the basis of business gross receipts (Procedural Ordinance for Establishment of a Business Tax).  
Subitem-E: (O-90-159) CONTINUED TO MARCH 26, 1990

Introduction of an Ordinance amending Chapter II, Article 8, of the San Diego Municipal Code, by adding Division 1, Sections 38.0101 through 38.0127, creating a Utility Users Tax, establishing taxes on electricity, gas and steam use, and creating exemptions for low income households (Utility Users Tax Ordinance).  
Subitem-F: (R-90-1392) CONTINUED TO MARCH 26, 1990

Adoption of a Resolution authorizing the City Manager to initiate proceedings for the formation of a Citywide Landscaping, Lighting, and Park Maintenance District; declaring that the district will be for maintenance and land acquisition purposes only and that the district proposes no construction of facilities at this time.

Subitem-G: (R-90- ) CONTINUED TO MARCH 26, 1990

Adoption of a Resolution to initiate proceedings to create a Landscaping, Lighting and Park Maintenance District for the City of San Diego; authorizing the City Manager to negotiate and execute an agreement with the engineer for the purpose of the formation proceedings; declaring that the City Council shall consider a Resolution of Intention to form the City of San Diego

Lighting, Landscaping and Park Maintenance District no later than May 1, 1991.

Subitem-H: (R-90- ) CONTINUED TO MARCH 26, 1990

Adoption of a Resolution certifying Environmental Negative Declaration END-89-1232, prepared by the Development and Environmental Planning Division following review of the San Diego Housing Trust Fund.

FILE LOCATION: Subitems A,B,C,E,F,G,H --, Subitem-D MEET

COUNCIL ACTION: (Tape location: A060-F103.)

Motion by henderson to refer the matter back to the City Manager for further study to be brought back during regular budget consideration and to remove the option of the gross receipts tax. Second by Roberts.

SUBSTITUTE MOTION BY PRATT TO CONTINUE THE BUSINESS LICENSE TAX, THE UTILITY USER FEE TAX AND THE CITYWIDE LIGHTING AND MAINTENANCE ASSESSMENT DISTRICT FEE TO BE DISCUSSED DURING THE BUDGET DELIBERATION PROCESS AND A COMMITMENT OF A PORTION OF THOSE FUNDS TO THE TRUST FUND, APPROVING THE HOUSING TRUST FUND COUNCIL POLICY AND THE ORDINANCE IMPLEMENTING THE HOUSING TRUST FUND WITH A 12 MILLION DOLLAR HOUSING LINKAGE FEE ON COMMERCIAL DEVELOPMENT, \$2.68 MILLION FROM THE TRANSIENT OCCUPANCY TAX INCREMENT, AND \$4.5 MILLION IN FUNDS FROM THE CCDC 20% LOW-INCOME SET-ASIDE FUND, AND THE NEGATIVE DECLARATION RESOLUTION. Second by Wolfsheimer.

The motion was trailed to hear public testimony and for Council discussion.

The hearing was closed.

MOTION BY HENDERSON TO CONFIRM COUNCIL'S POSITION THAT A GROSS RECEIPTS TAX NOT BE CONSIDERED FOR THE HOUSING TRUST FUND. Second by Bernhardt. Passed by the following vote:

Wolfsheimer-yea, Roberts-yea, Hartley-yea, Pratt-yea, Bernhardt-yea, Henderson-yea, McCarty-yea, Filner-yea, Mayor O'Connor-yea.

Motion by Pratt to refer the Redevelopment Agency report on Housing Set-Aside Funds to the City Manager and City Attorney and direct the City Manager and City Attorney to work with the Housing Commission staff and come back to Council with a proposal to use the 20% set aside fund money for the Housing Trust Fund. Second by Wolfsheimer. Passed by the following vote: Yeas-1,2,3,4,5,7,8,M. Not present-6.

AMENDMENT BY COUNCIL MEMBER PRATT\_TO\_CONTINUE SUBITEM-A AND DIRECT THE CITY ATTORNEY TO MAKE REVISIONS PURSUANT TO ACTIONS TAKEN BY THE COUNCIL AND TO INTRODUCE THE ORDINANCE FOR SUBITEM-B AS AMENDED TO INTERLINEATE TO CHANGE THE BASE YEAR TO 1990. The amendment was accepted by the seconder.

MOTION BY BERNHARDT TO AMEND THE MOTION TO DIRECT THE CITY MANAGER AND CITY ATTORNEY TO MODIFY THE ORDINANCE FOR SUBITEM-B TO UTILIZE THE EXISTING HOUSING AUTHORITY STRUCTURE AND TO ESTABLISH AN ADVISORY BOARD, AND THAT ALL ADMINISTRATIVE COSTS AND RESPONSIBILITIES BE BORNE BY THE HOUSING COMMISSION. The amendment was accepted by Council Member Pratt.

MOTION BY HARTLEY TO AMEND SUBITEM-B AS FOLLOWS: 1.) PAGE B.21 (c) DELETE, IN THE EVENT \$54 MILLION IS NOT ALLOCATED. 2) PAGE B.26 (d) ADD "IN NEIGHBORHOODS PREDOMINATELY LOW INCOME AND ABSENTEE OWNED," 3) PAGE B.28 ADD TO SEC. 98.0506 OR SEC. 98.0508 UNDER DISBURSEMENT OF FUNDS: "ALL PROPOSED PROJECTS SHALL BE REVIEWED BY A THREE TO FIVE PERSON ADVISORY COMMITTEE ESTABLISHED WITHIN EACH COUNCIL DISTRICT OR AN ESTABLISHED COMMUNITY PLANNING GROUP AND STAFFED BY COMMISSION STAFF. PRIORITY FOR ADVISORY COMMITTEE MEMBERSHIP SHALL BE GIVEN TO COMMUNITY PLANNING GROUPS, COMMUNITY BASED NON-PROFITS AND/OR TOWN COUNCILS," 4) PAGE B.29 DIRECT THE CITY ATTORNEY TO REVISE LANGUAGE FOR THE ROUTE OF THE "PLAN" TO BE COMMUNITY HEARINGS, BOARD, COMMISSION, COUNCIL. 5) PAGE B.30 (a) ADD FOLLOWING "TRANSITIONAL HOUSING" THE LANGUAGE "OR IN NEIGHBORHOODS WHERE THE ADDITION OF UNITS WILL CREATE THE NEED FOR SUPPORTIVE SERVICES," 6) PAGE B.35. CHANGE TO HAVE THE EXECUTIVE DIRECTOR SELECTED BY THE BOARD OF TRUSTEES." The amendments except No. 3 were accepted by the maker of the motion and the seconder.

MOTION BY PRATT TO AMEND THE MOTION TO WITHDRAW THE DOLLAR AMOUNT FOR THE TOT INCREMENT. Accepted by the seconder.

AMENDMENT BY WOLFSHEIMER\_TO\_ADD LANGUAGE ON PAGE B.27 FOR A REIMBURSEMENT CONTRACT SO THAT IF SOMEONE RESELLS THAT PROPERTY, THE DIFFERENCE COULD BE CAPTURED. Amendment accepted by maker of the motion.

AMENDMENT BY BERNHARDT\_TO\_APPROVE THE MANAGER'S RECOMMENDATION FOR COMMUNITY GROUP INPUT IN ORDER FOR NEIGHBORHOOD AND COMMUNITY GROUPS TO PARTICIPATE IN THE HOUSING TRUST FUND IMPLEMENTATION THROUGH REPRESENTATION ON AN ESTABLISHED HTF ADVISORY BODY, THE COMMUNITY PLANNING GROUP REVIEW PROCESS AND THROUGH APPLICATION FOR HTF FUNDS AND DEVELOPMENT OF AFFORDABLE HOUSING PROJECTS. The

amendment was accepted by Council Member Pratt.

COUNCIL MEMBER PRATT WITHDREW REFERENCE TO DOLLAR AMOUNT OF \$54 MILLION FOR LANGUAGE TO REFLECT SOURCES OF REVENUE.

MOTION BY PRATT TO AMEND HIS MOTION TO DIRECT THE CITY MANAGER AND CITY ATTORNEY TO PREPARE LANGUAGE FOR THE ORDINANCES AND CONTINUE TWO WEEKS TO MARCH 26, 1990 TO INTRODUCE THE ORDINANCES AS AMENDED. Second by Wofsheimer.

Passed by the following vote: Wolfsheimer-yea, Roberts-nay, Hartley-yea, Pratt-yea, Bernhardt-yea, Henderson-yea, McCarty-nay, Filner-yea, Mayor O'Connor-yea.

COUNCIL COMMENT:

None.

PUBLIC COMMENT:

None.

ADJOURNMENT:

The meeting was adjourned by Mayor O'Connor at 5:45 p.m.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Tape location: F103).